

MINUTES
SCOTTSDALE CITY COUNCIL
CITY COUNCIL MEETING
Tuesday, September 23, 2003

**The Kiva
City Hall
Scottsdale, Arizona**

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CALL TO ORDER (IN CITY HALL KIVA FORUM)

Mayor Manross called to order the Regular Meeting of the Scottsdale City Council on Tuesday, September 23, 2003 in the Kiva, City Hall, at 5:07 P.M.

ROLL CALL

Present: Mayor Mary Manross
Vice Mayor Ned O'Hearn
Council Members David Ortega, Tom Silverman, Robert Littlefield,
Wayne Ecton, and Cynthia Lukas

Also Present: Deputy City Manager Ed Gawf
City Attorney Brad Woodford
City Clerk Carolyn Jagger

Public Comment

Jane Rau, 8148 E. Dale Lane, urged Council to review the DRB's decision to allow the Assembly of God Dream Center to have a 40' tower element.

Jeff Bartle, 9624 E. Clinton, took exception to comments made by Councilman Ecton. He urged the Mayor to send a letter of apology to the military that reassures the military that their planes and personnel are welcome at the airport.

Lois Fitch, 1229 N. Granite Reef Road, spoke as the chairman of the Winfield Scott Committee. She announced that the committee is raising money for the memorial.

Lyle Wurtz, 6510 E. Palm Lane, expressed his displeasure with the Giants' ultimatum regarding a new stadium.

Pledge of Allegiance

Scout Troop 523 led the audience in the Pledge of Allegiance.

Invocation

Pastor Tom Jelinek of Los Arcos United Methodist Church offered the invocation.

Minutes

SPECIAL MEETINGS

Monday, September 8, 2003
Tuesday, September 9, 2003

REGULAR MEETINGS

Monday, September 8, 2003
Tuesday, September 9, 2003

COUNCILMAN ORTEGA MOVED TO APPROVE SPECIAL MEETING MINUTES OF MONDAY, SEPTEMBER 8, 2003 AND TUESDAY, SEPTEMBER 9, 2003 AND THE REGULAR MEETING MINUTES OF MONDAY, SEPTEMBER 8, 2003 AND TUESDAY, SEPTEMBER 9, 2003. COUNCILMAN SILVERMAN SECONDED THE MOTION WHICH CARRIED 7/0.

CONSENT AGENDA ITEMS 1 – 21 *** (ITEM #18 CONTINUED)

1. **British Open Pub and Grill Liquor License**

Request: Consider forwarding a favorable recommendation to the Arizona Department of Liquor Licenses and Control for a series 12 (restaurant) State liquor license for an existing location currently operating with a series 12 license.

Location: 1334 N Scottsdale Rd

Reference: 58-LL-2003

Staff Contact(s): Jeff Fisher, Plan Review Director, 480-312-7619,
jfisher@ScottsdaleAZ.gov;

2. **Cabana's Liquor License**

Request: Consider forwarding a favorable recommendation to the Arizona Department of Liquor Licenses and Control for a series 12 (restaurant) State liquor license for an existing location that previously operated with a series 12 license under the business name Soho Restaurant.

Location: 6810 E 5th Av

Reference: 59-LL-2003

Staff Contact(s): Jeff Fisher, Plan Review Director, 480-312-7619,
jfisher@ScottsdaleAZ.gov

3. **Pizza Picazzo Liquor License**

Request: Consider forwarding a favorable recommendation to the Arizona Department of Liquor Licenses and Control for a series 12 (restaurant) State liquor license for a newly constructed restaurant location.

Location: 7325 E Frank Lloyd Wright Bl

Reference: 60-LL-2003

Staff Contact(s): Jeff Fisher, Plan Review Director; 480-312-7619,
jfisher@ScottsdaleAZ.gov

4. **Café Citron Liquor License**

Request: Consider forwarding a favorable recommendation to the Arizona Department of Liquor Licenses and Control for a series 12 (restaurant) State liquor license for an existing café location that previously operated without a liquor license.

Location: 6166 N Scottsdale Rd

Reference: 61-LL-2003

Staff Contact(s): Jeff Fisher, Plan Review Director; 480-312-7619, jfisher@ScottsdaleAZ.gov

5. The Apple Café Liquor License

Request: Consider forwarding a favorable recommendation to the Arizona Department of Liquor Licenses and Control for a series 12 (restaurant) State liquor license for a new restaurant location.

Location: 15040 N Northsight Blvd

Reference: 62-LL-2003

Staff Contact(s): Jeff Fisher, Plan Review Director, 480-312-7619, jfisher@ScottsdaleAZ.gov

6. REMOVED FROM THE CONSENT AGENDA FOR SEPARATE DISCUSSION. SEE PAGE 6

7. Burkhardt Property Abandonment

Request: Consider the following:

1. Abandon a 55 foot roadway and public utility easement along Dixileta Drive and 112th Street of Parcel 23, Goldie Brown Pinnacle Peak Ranch Unit Three.
2. A 30 foot roadway along Morning Vista Drive alignment of Parcel 23, Goldie Brown Pinnacle Peak Ranch Unit Three.
3. This abandonment is subject to the approval and recording of the Sonoran Reserve final plat.
4. Adopt Resolution No. 6227.

Location: Southeast corner of 112th Street and Dixileta Drive

Reference: 8-AB-2002

Staff Contact(s): Pete Deeley, Project Coordination Manager, 480-312-2554, pdeeley@ScottsdaleAZ.gov; Kroy Ekblaw, General Manager, Planning & Development Services Department, 480-312-7064, kekblaw@ScottsdaleAZ.gov

8. Sonoran Reserve (Burkhardt Property) Final Plat

Request: Approve a Final Plat. Six (6) residential lots with amended development standards are proposed on the parcel.

Location: Southeast corner of Dixileta & 112th St

Reference: 20-PP-2002

Staff Contact(s): Al Ward, Senior Planner, 480-312-7067, award@ScottsdaleAZ.gov; Kroy Ekblaw, General Manager, Planning & Development Services Department, 480-312-7064, kekblaw@ScottsdaleAZ.gov

9. REMOVED FROM THE CONSENT AGENDA FOR SEPARATE DISCUSSION. SEE PAGE 7

10. REMOVED FROM THE CONSENT AGENDA FOR SEPARATE DISCUSSION. SEE PAGE 7

11. REMOVED FROM THE CONSENT AGENDA FOR SEPARATE DISCUSSION. SEE PAGE 7

12. REMOVED FROM THE CONSENT AGENDA FOR SEPARATE DISCUSSION. SEE PAGE 7

13. Benchmark Design Conditional Use Permit

Request: Approve a conditional use permit for Furniture Manufacturing or Refinishing in four suites of an existing building located at 7848 E Redfield Road with Industrial Park District (I-1) zoning.

Location: 7848 E Redfield Rd

Reference: 10-UP-2003

Staff Contact(s): Bill Verschuren, Senior Planner, 480-312-7734, bverschuren@ScottsdaleAZ.gov; Kroy Ekblaw, General Manager, Planning & Development Services Department, 480-312-7064, kekblaw@ScottsdaleAZ.gov

14. Basis Charter School Conditional Use Permit

Request: Approve a conditional use permit for a Private/Charter School on a 1 +/- acre parcel located at 9128 E San Salvador with Industrial Park, Planned Community District (I-1, PCD) zoning.

Location: 9128 E San Salvador Dr

Reference: 12-UP-2003

Staff Contact(s): Bill Verschuren, Senior Planner, 480-312-7734, bverschuren@ScottsdaleAZ.gov; Kroy Ekblaw, General Manager, Planning & Development Services Department, 480-312-7064, kekblaw@ScottsdaleAZ.gov

15. DC Ranch Village Health Studio And Spa Conditional Use Permit

Request: Approve a conditional use permit for a health studio on a 6.3 +/- acre parcel located at the southeast corner of Union Hills Drive and Thompson Peak Parkway with Planned Commercial Center, Planned Community District (PCC, PCD) zoning.

Location: 10101 E Thompson Peak Parkway

Reference: 13-UP-2003

Staff Contact(s): Tim Curtis, Project Coordination Manager, 480-312-4210, tcurtis@ScottsdaleAZ.gov; Kroy Ekblaw, General Manager, Planning & Development Services Department, 480-312-7064, kekblaw@ScottsdaleAZ.gov

16. Funding for LINKS Community Collaborative

Request: Consider adopting Resolution No. 6372 to authorize signature authority and an expenditure of \$42,000 from the operating budget for agreements relating to the LINKS Community Collaborative. This action will renew the City's commitment to LINKS for the 2003-04 fiscal year.

Related Policies, References: Resolutions No. 4397, 4911, 5351, 5883 and 6129

Staff Contact(s): Judy Register, General Manager, (480) 312-2454, jregister@scottsdaleaz.gov

17. Construction Bid Award for Waterline Replacements in the area bounded by Pinnacle Peak Road, Happy Valley Road, Hayden Road and Pima Road

Request: Authorize Construction Bid Award No. 04PB005 to the Holloman Corporation, the lowest responsive bidder, at their unit price bid of \$1,909,159.26.

Staff Contact(s): Alison Tymkiw, Sr. Project Manager, (480) 312-7985, atymkiw@scottsdaleaz.gov; Al Dreska, Capital Project Management Administrator, 480-312-2776, adreska@scottsdaleaz.gov

*****18. CONTINUED TO OCTOBER 13, 2003. PLEASE SEE PAGE 20**

19. Purchase of commercial software to operate a Crime Laboratory Information Management System (LIMS)

Request: Adopt Resolution No. 6352 authorizing the Police Department to accept a one-year grant in the amount of \$96,276 from the Arizona Criminal Justice Commission for a Full-Service Forensic Criminal Laboratory Grant Program. The grant will allow the Police Department to purchase commercial software to develop a computer-based crime laboratory information and reporting management tracking system that includes instrumental data storage and retrieval. The grant was anticipated and included in the approved FY 03/04 Budget. There are no city cost-sharing agreements.

Related Policies, References: Resolution No. 6352 and Resolution No. 6142.

Staff Contact(s): Steve Garrett, Forensic Services Division, 480-312-5280, sgarrett@scottsdaleaz.gov; C. Brad Woodford, City Attorney, 480-312-2405, bwoodford@scottsdaleaz.gov

20. REMOVED FROM THE CONSENT AGENDA FOR SEPARATE DISCUSSION. SEE PAGE 9

*****21. Taliesin West Destination Attraction Development and Preservation Agreement**

Request: Council is requested to approve **Resolution No. 6374** approving City of Scottsdale Agreement No. 2003-158-COS with the Frank Lloyd Wright Foundation for the development of new destination attraction features at Taliesin West, and in Downtown Scottsdale, and for the acquisition of a conservation easement within the McDowell-Sonoran Preserve boundary.

Related Policies, References: January 21, 2003 Council action authorizing staff to negotiate a contract implementing the elements of the proposal in substantial conformance to the staff report presented to the Tourism Development Commission; Resolution 6244 declaring the City's intent to advance funds not to exceed \$15,000,000 for the Taliesin West, Loloma Museum and Canal Bank Improvement projects.

Staff Contact(s): Kathy Carlisle O'Connor, Tourism Development Manager, Economic Vitality Department, 480.312.7057, kcoconnor@scottsdaleAZ.gov; Robert Cafarella, Director of Preservation, Preservation Department, 480.312.2577 E-mail: rcafarella@scottsdaleAZ.gov; Rebecca Eickley Finance and Energy Manager, 480.312.7084, reickley@scottsdaleAZ.gov

COUNCILMAN ECTON MOVED TO APPROVE CONSENT AGENDA ITEMS 1, 2, 3, 4, 5, 7, 8, 13, 14, 15, 16, 17, 19, AND 21. COUNCILWOMAN LUKAS SECONDED THE MOTION WHICH CARRIED 7/0.

ITEMS REMOVED FROM THE CONSENT AGENDA FOR SEPARATE DISCUSSION

6. The Swamp Stomp

Request: Consider forwarding a favorable recommendation to the Arizona Department of Liquor Licenses and Control for a permanent extension of premises for an existing establishment currently operating with a series 06 (bar) liquor license.

Location: 10201 N Scottsdale Rd I7

Reference: 23-EX-2003

Staff Contact(s): Jeff Fisher, Plan Review Director, 480-312-7619, jfisher@ScottsdaleAZ.gov

In response to questions from Councilman Ecton, Kroy Ekblaw explained that a conditional use permit is not necessary in this case. He clarified that the expansion of the outside area equates to 1,000 sq. ft., which would require an additional three or four parking spaces.

Councilman Ecton expressed concern that although the application meets the city's requirements, the city must take a holistic view of the circumstances in the area.

Councilman Ortega stated his belief that the city is seeing a trend where restaurants and nightclubs want outdoor patio areas due to smoking concerns.

COUNCILMAN ORTEGA MOVED TO FORWARD A FAVORABLE RECOMMENDATION TO THE ARIZONA DEPARTMENT OF LIQUOR LICENSES AND CONTROL FOR A PERMANENT EXTENSION OF PREMISES FOR AN EXISTING ESTABLISHMENT CURRENTLY OPERATING WITH A SERIES 06 (BAR) LIQUOR LICENSE. COUNCILWOMAN LUKAS SECONDED THE MOTION WHICH CARRIED 6/1 (W.E.).

9. DC Ranch Parcel 1.13 Final Plat

Request: Approve a Final plat for DC Ranch Parcel 1.13.

Location: Planning Unit 1 at DC Ranch - Parcel 1.13

Reference: 3-PP-2003

Staff Contact(s): Tim Curtis, Project Coordination Manager, 480-312-4210, tcurtis@ScottsdaleAZ.gov;

Kroy Ekblaw, General Manager Planning & Development Services Department, 480-312-7064, kekblaw@ScottsdaleAZ.gov

10. DC Ranch Parcel 1.17 Final Plat

Request: Approve the Final Plat for 167 residential lots on a 47+/- acre parcel.

Location: Planning Unit 1 at DC Ranch (Union Hills Dr. east of Pima, west of 94th St.)

Reference: 4-PP-2003

Staff Contact(s): Tim Curtis, Project Coordination Manager, 480-312-4210, tcurtis@ScottsdaleAZ.gov;

Kroy Ekblaw, General Manager Planning & Development Services Department, 480-312-7064, kekblaw@ScottsdaleAZ.gov

11. DC Ranch Parcel 1.14 Final Plat

Request: Approve a Final Plat for 77 residential lots on a 22 +/- acre parcel.

Location: Southeast corner of 94th St. & Union Hills Dr.

Reference: 7-PP-2003

Staff Contact(s): Tim Curtis, Project Coordination Manager, 480-312-4210, tcurtis@ScottsdaleAZ.gov;

Kroy Ekblaw, General Manager Planning & Development Services Department, 480-312-7064, kekblaw@ScottsdaleAZ.gov

12. DC Ranch Parcel 1.11 Final Plat

Request: Approve the Final Plat for 87 residential lots on a 37+/- acre parcel.

Location: East side of 94th St. between Union Hills Dr. & Bell Rd.

Reference: 8-PP-2003

Staff Contact(s): Tim Curtis, Project Coordination Manager, 480-312-4210, tcurtis@ScottsdaleAZ.gov;
Kroy Ekblaw, General Manager Planning & Development Services Department, 480-312-7064, kekblaw@ScottsdaleAZ.gov

Kroy Ekblaw introduced items 9, 10, 11, and 12. He explained that the four cases this evening are all located in Planning Unit 1 of the DC Ranch Development. The four plats have been reviewed through the overall Master Plans of DC Ranch and the Planning Unit. The property was annexed into the city as residential (one unit per acre) in 1990. A Zoning Master Plan was approved which located all residential property in the area outside of the boundaries that would be impacted by the noise limits of the airport.

He noted that the request is consistent with zoning stipulations and master plan requirements while the developer has exceeded all of the city's requirements.

Eneas Kane, 7600 E. Doubletree Ranch Road, spoke as the applicant. He explained that the area was originally designated as residential. He stressed that only one-half of the number of homes allowed on the site would be constructed under the current proposal.

Mr. Kane emphasized that the developer included four levels of disclosure to ensure perspective homeowners would be aware of the proximity of the homes to the airport. He explained that the planning unit is noted as an area that is appropriate for residential housing. He assured everyone that the developer has complied and exceeded each and every city requirement.

In response to questions from Councilwoman Lukas, Attorney Woodford clarified that the area around Luke Air Force Base is governed by state statute. The property referred to in recent newspaper articles was platted and a development plan was developed before the law came into effect. In essence, the final plat was grandfathered under the law. One other large development was proposed after that time. The Council up zoned the area from residential to commercial against the developer's wishes. He assured Council that the city's airport is governed by the city's zoning regulations not state statute.

Responding to additional questions from Councilwoman Lukas, Attorney Woodford explained that Council is limited in considering issues that fall under state statutes. In cases such as this, the statute includes consideration of issues that impact the terrain, dedications, access, water or lack of water, subsidence of the earth's surface, drainage, and drainage requirements. Zoning requirements typically precede the plat.

Attorney Woodford confirmed for Mayor Manross that issues such as noise should have been considered during the zoning phase not during consideration of a final plat. He noted that if Council chooses to follow the law, Council should consider the issues he outlined earlier as stipulated by state statutes.

Councilman Littlefield pointed out that the flight path of the airport is directly over this proposed development. He stated that all the planes that fly over Ironwood Village would be flying over this development only at a lower altitude. He stressed that approval of this development would be another step in creating a situation where more people would complain about the noise from the airport. He felt the responsible thing for Council to do would be to deny this case.

Councilman Ortega explained that the ambient noise level in some parts of the city is higher than the noise from the airplanes in this area. He pointed out that homes are located much closer to the freeway than to the airport and no one is requesting that the city close the freeway.

In response to questions from Councilman Ecton, John Little explained that the residents in the area experience approximately 550 over-flights per day. Councilman Ecton explained his belief that the DC Ranch plan is a good plan with the developer doing the best they can by providing full disclosure. He also agreed with Councilman Littlefield that the disclosure wouldn't stop the complaints. He noted that he would be voting against approval of the final plat since he felt the government has been remiss in not giving proper consideration for these issues in the past.

Councilman Littlefield emphasized that approval of the final plat would be irresponsible.

Councilwoman Lukas stated that it doesn't appear to be prudent to be approving homes in the flight path; however, whatever Council does must be within the letter of the law. She reminded everyone that the city attorney advised Council that only certain issues could be considered when approving or denying the final plat. If Council voted to deny the final plat, the city would face a lawsuit that it would lose. She explained that Council would be smart to follow the law.

Vice Mayor O'Hearn explained that Council cannot rewrite history and compromise the roadmaps the city has developed over the years. He stressed that Council has obligations and responsibilities to citizens, businesses, and developers who follow the rules. He stated his belief that Council would not be acting irresponsibly by approving this case, but would be acting in good faith.

Mayor Manross noted that although she shares the sentiments expressed tonight, if Council chooses to follow the law, the final plat would be approved. She explained that she wished the zoning hadn't been changed 14 years ago so there would be no issues at this time. She stated she has never seen an applicant agree to such a comprehensive disclosure plan.

Councilman Silverman stated his belief that Council must have a legal standing for their decisions, although he agreed that residents of the new development would most likely be complaining of noise in the future.

Councilman Ortega pointed out that the development has one-half the allowed density on the site.

COUNCILMAN ORTEGA MOVED TO APPROVE ITEMS 9 (CASE 3-PP-2003), 10 (CASE 4-PP-03), 11 (7-PP-2003), AND 12 (8-PP-2003). COUNCILMAN SILVERMAN SECONDED THE MOTION WHICH CARRIED 5/2 (W.E., R.L.).

20. Contracts for employee health care and life insurance benefits.

Request: Authorize the following six contracts for employee health care and life insurance benefits for an 18 month cycle beginning January 1, 2004, subject to negotiation of final terms and conditions which will not impact the established contractual rates and services (see Attachment A for summary of contractual rates and services):

1. Authorize contract #2003-148-COS with Aetna Life Insurance Company (Aetna) to provide medical and pharmaceutical networks and discounts, and related customer support and administrative services to implement the City's self-insured HMO health insurance option (referred to as the "Aetna Open Access Elect Choice/EPO").
2. Authorize contract #2003-149-COS with Mayo Health Plan Arizona (Mayo) to provide medical and pharmaceutical networks and discounts, and related customer support and administrative services to implement the City's self-insured PPO health insurance option (referred to as the "Mayo Health Tradition Plus/PPO").

3. Authorize contract #2003-150-COS with Life Insurance Company of North America (Cigna Group Insurance) for basic and voluntary life insurance.
4. Authorize contract #2003-151-COS with CIGNA Behavioral Health for behavioral health care services.
5. Authorize contract #2003-152-COS with Fortis Benefits Insurance Company for a fully insured pre-paid dental plan option (referred to as the Summit Plan Dental HMO – Plan 2).
6. Authorize contract #2003-153-COS with Aetna Life Insurance Company for voluntary long-term care insurance.

Related Policies, References:

- Scottsdale Revised Code Section 14-102 relating to the contribution of City funds for health/life insurance benefits and related contractual requirement (see section on Policy Implications, page 6).
- Scottsdale Revised Code Sections 2-180 through 2-215 relating to procurement.

Staff Contact(s): Neal Shearer, Human Resources General Manager, 480-312-2604, nshearer@scottsdaleaz.gov

Neal Shearer provided the following comprehensive presentation, which has been summarized below.

Health Benefit Contracts Overview

BACKGROUND

- Health benefit contracts expire December 2003
- Wrapping up 5 years with 5 plans
- Headlines: “Health care costs \$kyrocket”
- Short-term and long-term implications

PROJECT OBJECTIVES

- Quality health plan choices
- Competitive and affordable
- Minimize adverse impacts of transition
- Align benefits with fiscal year
- Stability/cost containment long-term...

COST CONTAINMENT STRATEGIES

- Reduce number of plans/providers
- Change to a more equitable employer/ employee contribution strategy
- Adjust co-pays/user fees with incentives
- Increase emphasis on education and wellness
- Assess “self-insured” option

“Self-Insured” vs. “Fully-Insured”

- Self-Insured, the City:
 - Contracts for provider networks, pharmacy management and claims processing
 - Controls plan design and contribution rates
 - Assumes the risk for plan costs, including claims
 - Limits risk through stop-loss insurance
 - Maintains a self insurance trust fund
- Fully Insured:
 - City pays fixed monthly premiums to an insurance company
 - Insurance company controls plan design
 - Insurance company assumes the risk that premiums charged cover all of its claims and administrative costs

PROJECT STEPS

- Communication
- RFPs
- Established evaluation team w/ consultants
 - Willis
 - IRIMS
- Evaluate proposals based on criteria:
 - Cost/value to employees and the City
 - Provider discounts
 - Premiums (fully insured)
 - Administrative fees (self-insured)
- Evaluate proposals based on criteria (cont.):
 - Quality
 - Network size and location
 - Board certification levels
 - Provider credentialing
 - AZ Dept. of Insurance complaint ratio
 - National Council on Quality Assurance (NCQA) ratings
 - Disease management programs
 - Qualifications
 - Experience
 - Financial stability
 - References

PROJECT STEPS

- Narrowed field: 10-5-3-2
- Developed plans and rates to meet project objectives
- Negotiated 6 contracts
- Council authorization
- Communication/Implementation

OVERALL RESULTS

- Medical/Rx –
 - Aetna Open Access Elect Choice/EPO (Aetna EPO)
 - Mayo Health Tradition PPO (Mayo PPO)
- Dental –
 - Fortis “Pre-paid”
 - Scottsmiles PPO (existing)

- Behavioral Health – CIGNA
- Life Insurance – CIGNA
- Long Term Care – Aetna

AETNA EPO

<u>Tier</u>	<u>Monthly Premium</u>	<u>City Contribution</u>	<u>Full Time Employee Pays</u>	<u>Job Share/PT Employee Pays</u>
Employee Only	290.00	\$290.00	\$0.00	\$72.50
Employee & Child(ren)	\$479.00	\$455.00	\$24.00	\$137.74
Employee & Spouse/Partner	\$630.00	\$585.00	\$45.00	\$191.24
Employee & Family	\$736.00	\$670.00	\$66.00	\$233.50

AETNA EPO FT EmployEE Monthly Premium Changes

From any current plan* to Aetna – \$0 to a \$9.20 decrease

<u>Tier</u>	<u>Premium Change/Decrease</u>
EE Only	\$0 (remains \$0)
EE & Child(ren)	-\$1.96 to -\$6.14
EE & Spouse/Partner	-\$3.00 to -\$6.52
EE & Family	\$0.00 to -\$9.20

* Excluding the BCBS \$1000 Plan

MAYO PPO

<u>Tier</u>	<u>Monthly Premium</u>	<u>City Contribution</u>	<u>Full Time Employee Pays</u>	<u>Job Share/PT Employee Pays</u>
Employee Only	\$310.00	\$290.00	\$20.00	\$92.50
Employee & Child(ren)	\$495.00	\$455.00	\$40.00	\$153.74
Employee & Spouse/Partner	\$650.00	\$585.00	\$65.00	\$211.24
Employee & Family	\$775.00	\$670.00	\$105.00	\$272.50

MAYO PPO

FT EmployEE Monthly Premium Changes

From any current plan* to Mayo - increase \$9.86 to \$39.00

<u>Tier</u>	<u>Premium Increase</u>
EE Only	\$20.00
EE & Child(ren)	\$9.86 - \$16.00
EE & Spouse/Partner	\$13.48 - \$17.00
EE & Family	\$29.80 - \$39.00

* Excluding the BCBS \$1000 Plan

**EmployEE "Co-Pay" Changes
From any Current HMO to Aetna EPO**

	<u>2003 HMO</u>	<u>2004 EPO</u>	<u>Co-Pay Change</u>
Regular Office Visit	\$10	\$15	\$5
Specialist Office Visit	\$10	\$25	\$15
Inpatient Hospital Care	\$0	\$150	\$150
Outpatient Surgery	\$0	\$100	\$100
Outpatient Lab/X-ray	\$0	\$0	\$0
Behavioral Health	\$0	\$0	\$0
Immunizations	\$0	\$0	\$0

**EmployEE "Co-Pay" Changes
From Current PPO to Mayo PPO**

<u>Co-Pay</u>	<u>2003 BCBS 250</u>	<u>2004 Mayo PPO</u>
Regular Office Visit	90% after deductible	\$15 (no deductible)
Specialist Office Visit	90% after deductible	\$25 (no deductible)
Other Services	90% after deductible	90% after deductible

EmployEE “Deductible” Changes From Current PPO to Mayo PPO

<u>Deductibles</u>	<u>2003 BCBS 250</u>	<u>2004*</u>	<u>Change</u>
In-Network	\$250/\$500	\$350/700	\$100/\$200
Out of Network	\$250/\$500	\$700/\$1400	\$450/\$900

*Deductible is good for 18 months – Jan 04 through June 05

PRESCRIPTION CO-INSURANCE

<u>Category</u>	<u>Aetna and Mayo In-network</u>
Generic	10% co-ins, \$10 min/\$20 max (now \$10) (change \$0 to +\$10)
Brand Name	20% co-ins, \$20 min/\$40 max (now \$25) (change -\$5 to +\$15)
Non-Formulary	40% co-ins, \$40 min/\$80 max (now \$50) (change -\$10 to +\$30)

PRESCRIPTION CO-INSURANCE (Mail Order – 90 day supply)

<u>Category</u>	<u>Aetna and Mayo In-network</u>
Generic	\$20 (now \$10-\$20) (change \$0 to +\$10)
Brand Name	\$50 (now \$20-\$55) (change -\$5 to +\$30)
Non-Formulary	\$100 (now \$50-\$150) (change -\$50 to +\$50)

ISSUES

- Increased costs in some cases
 - Premiums
 - Co-pays
 - PPO deductibles
 - Prescriptions
- No catastrophic plan option (i.e., \$1000 plan)
- Doctors not in networks
- Fewer plan choices
- Communication
- Quality perceptions

QUALITY INDICATORS

- National Committee for Quality Assurance – Aetna “commendable” overall rating
 - Access and Services
 - Qualified Providers
 - Staying Healthy
 - Getting Better
 - Living with Illness

QUALITY INDICATORS

- Percent Board Certified Primary Physicians
 - Mayo – 92.4%
 - Aetna – 84.9%
 - United – 78.4%
 - BCBS – 78.0%
 - Pacificare – 77.0%
 - Humana – 74.0%

QUALITY INDICATORS

- AZ Dept. of Insurance complaint ratio for 2002 (per thousand)
 - Mayo - .000
 - Aetna - .180
 - BCBS - .197
 - Pacificare - .365
 - United - .659

FAVORABLE OUTCOMES

- Aetna EPO
 - \$0 premium option for single full-time employees
 - No FT employee premium increase or premium decrease from comparable plan to Aetna
 - Open access to specialists
 - Arizona and National networks
- Mayo PPO
 - Office visit co-pays available with no deductible
 - 18 month deductible
 - Deductible included in out-of-pocket maximum
 - Out-of-network choice

FAVORABLE OUTCOMES

- Preserved HMO & PPO options – 2 networks
- Retained “four-tiers” in both plans
- Price guarantees on all premium rates and co-pays for 18 months, through June 2005
- A new, one-rate for PT/JS at 75%
- Opt out is available for FT employees

FAVORABLE OUTCOMES

- Cap for prescription costs
- Disease management and nurse line
- More wellness and education features
- Another open enrollment in six months

NEXT STEPS

Communication and Implementation

- Benefits Help-line and Website
- One-on-one consultations
- Benefit Briefings
- Benefit Expos (October 21 & 23)

- Mandatory Open Enrollment (Oct 20 – Nov 7)
- Optional Spring Open Enrollment
- Year-round communication

PROJECT OBJECTIVES

- ✓ Quality health plan choices
- ✓ Competitive and affordable
- ✓ Minimize adverse impacts of transition
- ✓ Align benefits with fiscal year
- ✓ Stability/cost containment long-term...

Mayor Manross opened public testimony.

Chet Anderson, 6825 E. Thomas Road, spoke as president of the Scottsdale Fraternal Order of Police. He expressed concern over the proposed employee healthcare plans due to the lack of adequate time for employees to review the information which was released last week. He noted that employees historically have had input in any decisions relating to employee healthcare; however, employees were not actively involved in the process this year. He stated his belief that there is too much confusion about the upcoming changes. He requested that Council postpone tonight's decision if the delay wouldn't impact health insurance coverage.

Jim Hill, 8414 E. Vista Drive, spoke as president of the Police Officers of Scottsdale Association. He urged Council to deny this item and work with the employees to develop mutually beneficial plans. He expressed concerns about the proposed changes in coverage and increased costs for retirees. He wondered why the city couldn't extend the current contracts for six months and work with employees to develop mutually beneficial plans.

Timothy K. Finn, 10143 E. Happy Hollow Drive, urged Council to extend the current contracts to allow employees to work with the city to negotiate mutually beneficial plans. He stressed that no employee participation was sought over the last two years regarding healthcare changes.

Mayor Manross closed public testimony.

Responding to questions from Mayor Manross, Mr. Shearer explained that Mayo made a business decision approximately a year ago to get out of the fully insured healthcare market and are now focusing on the self-funded situation. The Mayo plan currently being offered to city employees will cease to exist in January. He explained that the other healthcare contracts expire at the end of December. He noted that staff cannot say that there are any other attractive options available to Council other than approving the proposed contracts. He stressed that there are no opportunities to delay the decision since it would jeopardize the city's ability to have benefits available to employees on January 1st.

Additionally, Mr. Shearer confirmed for Mayor Manross that there are issues involved with the transition to new healthcare providers. He assured Council that personnel in Human Resources would be happy to meet with any employee to assist them wherever possible.

In response to questions from Councilwoman Lukas, Mr. Shearer explained that staff took a more direct approach to employee communication as it related to employee health plans. He assured Council that the forms of input received from employees helped shape the proposed plans.

Councilwoman Lukas requested that the Employee Benefits Committee be reinstated for the future.

Councilman Ortega requested that representatives from the proposed health plans provide a brief introduction to their plans.

David Moen, Mayo Health Plan Arizona, explained that the Mayo network of providers would be unchanged for the upcoming year.

Jim Sabilito, Aetna, explained that there are over 900 primary care providers, 2,900 specialists, and 25 hospitals that would be available to employees through the proposed plan.

Councilman Ortega questioned if the staff is satisfied with the performance based clauses in the agreements. Mr. Shearer confirmed that the city is satisfied. Ultimately, the relationship being created with the proposed providers requires regular communication between the providers and the city to ensure that concerns are being addressed. He noted that he has been pleased and impressed by the level of commitment from both proposed providers.

Mr. Shearer explained for Councilman Ortega that, although the transition would not be seamless, staff would be working diligently to keep the issues at a minimum.

Vice Mayor O'Hearn explained that a lot of effort went into this proposal. He stated his understanding the employees would have opportunities to ask more questions about issues that impact them. He noted that Council does not have any choices tonight; however, it is gratifying that staff will try to work one-on-one to assist in hardship cases.

VICE MAYOR O'HEARN MOVED TO **AUTHORIZE** CONTRACT #2003-148-COS WITH AETNA LIFE INSURANCE COMPANY (AETNA) TO PROVIDE MEDICAL AND PHARMACEUTICAL NETWORKS AND DISCOUNTS, AND RELATED CUSTOMER SUPPORT AND ADMINISTRATIVE SERVICES TO IMPLEMENT THE CITY'S SELF-INSURED HMO HEALTH INSURANCE OPTION (REFERRED TO AS THE "AETNA OPEN ACCESS ELECT CHOICE/EPO"); AND **AUTHORIZE** CONTRACT #2003-149-COS WITH MAYO HEALTH PLAN ARIZONA (MAYO) TO PROVIDE MEDICAL AND PHARMACEUTICAL NETWORKS AND DISCOUNTS, AND RELATED CUSTOMER SUPPORT AND ADMINISTRATIVE SERVICES TO IMPLEMENT THE CITY'S SELF-INSURED PPO HEALTH INSURANCE OPTION (REFERRED TO AS THE "MAYO HEALTH TRADITION PLUS/PPO"); AND **AUTHORIZE** CONTRACT #2003-150-COS WITH LIFE INSURANCE COMPANY OF NORTH AMERICA (CIGNA GROUP INSURANCE) FOR BASIC AND VOLUNTARY LIFE INSURANCE; AND **AUTHORIZE** CONTRACT #2003-151-COS WITH CIGNA BEHAVIORAL HEALTH FOR BEHAVIORAL HEALTH CARE SERVICES; AND **AUTHORIZE** CONTRACT #2003-152-COS WITH FORTIS BENEFITS INSURANCE COMPANY FOR A FULLY INSURED PRE-PAID DENTAL PLAN OPTION (REFERRED TO AS THE SUMMIT PLAN DENTAL HMO – PLAN 2); AND **AUTHORIZE** CONTRACT #2003-153-COS WITH AETNA LIFE INSURANCE COMPANY FOR VOLUNTARY LONG-TERM CARE INSURANCE. COUNCILMAN SILVERMAN SECONDED THE MOTION (WHICH CARRIED 6/1 [R.L.]).

Councilman Silverman explained that his experience is in the private sector with approximately 200 employees. He stated that he is impressed with the options staff has been able to negotiate. He expressed surprise that the city is able to keep the employee costs to a minimum.

Councilman Ecton agreed that this has been a very complex negotiation process with a lot of effort being expended. He expressed confidence that the Human Resource Department and the City Manager is qualified to bring the proposals forward. He explained that if employees typically provide input in this process, the city should continue to ensure that employees have the opportunity to do so. He explained that he is uncomfortable with the retiree situation. He encouraged staff to look at this situation more closely in the future.

Councilman Littlefield explained that employee committees provide employee input and provide a means of communication. He stated his belief that the committee should be re-instituted if for no other reason, than to build confidence. He also stated his belief that the contracts should not be renewed administratively.

COUNCILMAN LITTLEFIELD MOVED TO AMEND THE ORIGINAL MOTION TO REQUIRE THE RENEWALS TO BE BROUGHT BEFORE COUNCIL IN 18 MONTHS AND NOT RENEWED ADMINISTRATIVELY. THE AMENDMENT DIED FOR LACK OF A SECOND.

In response to a request for clarification, Mr. Shearer explained that the language in the contract regarding renewals allows the City Manager to renew the contracts administratively. Within the language, it is explicit that the City Manager has the discretion to bring the matter forward for consideration by the City Council for whatever reasons. He assured Council that regardless if they wish to consider the contract renewals or not, Council would be intimately involved in the contracts as they impact the city's budget. He stressed that Council would have the ultimate decision to appropriate funds for the contracts even if they were renewed administratively.

Councilman Ortega pointed out that the contracts include escape clauses while providing continuity for the employees.

Mayor Manross stated her support for the motion and her belief that the package is extraordinarily well done. She explained that she is uncomfortable that employees feel they have been left out of the process and stated her support for reviewing the process in the future.

Councilman Littlefield explained that Council has no choice but to approve the new health insurance or employees wouldn't be covered as of January 1st. He stated that a simple way to ensure that concerns are addressed would be to make Council accountable. He questioned why Council wouldn't support such an amendment and stated his opposition to the motion.

Councilman Ecton stated he didn't second the amendment since Council has the authority to request that the City Manager bring the proposed contract renewals forward for Council's consideration.

After further discussion, THE MOTION CARRIED 6/1 (R.L.).

CONTINUANCES

*****18. City of Scottsdale adv. Allied Construction, Inc.**

COUNCILMAN SILVERMAN MOVED TO CONTINUE ITEM 18 TO OCTOBER 13, 2003. COUNCILWOMAN LUKAS SECONDED THE MOTION WHICH CARRIED 7/0.

REGULAR AGENDA **ITEMS 22 - 23**

22. McDowell Village Rezoning

Request to approve:

1. To rezone from Regional Shopping Center District (C-S) to Planned Community District (PCD) with underlying zoning comparable to Regional Shopping Center District (C-S) and Multi-Family Residential District (R-5) with a development agreement on a 13.3 +/- acre parcel located at the northwest corner of Granite Reef and McDowell Roads.
2. A municipal use master site plan for a Senior Center on a portion of a 13.3 +/- acre parcel located at the Northwest corner of Granite Reef and McDowell Roads.
3. Adoption of Ordinance No. 3526 affirming the above rezoning and amended development standards.
4. Adoption of Resolution No. 6371 authorizing the Mayor to execute the Development Agreement No. 2003-160-COS.

Location: 8302 E McDowell Rd

Reference: 9-ZN-2003 & 15-UP-2003

Staff Contact(s): Tim Curtis, Project Coordination Manager, 480-312-4210, tcurtis@ScottsdaleAZ.gov;

KROY EKBLAW, GENERAL MANAGER, PLANNING & DEVELOPMENT SERVICES
DEPARTMENT, 480-312-7064, KEKBLAW@SCOTTSDALEAZ.GOV

Dave Roderique introduced this item with the following information.

9-ZN-2003 & 15-UP-2003
Redevelopment Agreement
McDowell Village
Northwest Corner of McDowell & Granite Reef Roads

Project Overview

Rezoning from C-S to PCD (R-5 and C-S)
13.1 acres of Mixed Uses
Senior Housing (230 units)
Senior Center (37,500 sq.ft.)
Community Theater (11,000 sq.ft.)
Retail/Restaurant (10,000 sq.ft.)

Amended Development Standards

Municipal Use Master Site Plan (Senior Center)
Redevelopment Agreement

Tim Curtis presented the following information.

Mixed-Use Site Plan

-100 ft. setback along the north and west property lines
-incorporating the alley as part of the site plan
-shared open spaces and shared parking

Impacts

Revitalizes underutilized property.
Generates less than 50% of the overall trips than the previous use.
Parking study shows sufficient shared parking for weekly activities.

Police beat office and Citizen Service Center are planned in Senior Center.

PC Recommendation

The Planning Commission recommends approval, 5-1

- Emphasized the need for adequate parking and mature trees.

He noted that the DRB also emphasized the need for mature trees. As a result, the proposed number of mature trees were increased.

Laurel Edgar presented the following information.

Redevelopment Agreement

Residential & Retail Parcels to be sold to RED Group when building permits are ready

RED Group pays \$3,235,600 per their response to RFP

Land Sale of 7.43 acres @ \$10 per s.f. plus Developer pays 57% of pre-closing civil improvements

RED Group donates \$45,000 of exercise equipment to Senior Center

No City Subsidies for Project

CC&R's cover long term relationship, uses & maintenance of respective properties

City's Total Land Cost \$ 4,856,000 (\$8.44 per sf)

RED Group & Sr Ctr pay \$ 4,688,000

Outstanding Land Cost \$ 166,000

Ms. Edgar stated that, as part of the redevelopment agreement, the residential property will be deed restricted to residents 55 and over following Federal guidelines.

Expected Timeframes

Senior Housing and Senior Center DRB Process	November, 2003 to January, 2004
Construction Documents Submittal	April, 2004
Contract for Grading and Utilities to Council	April, 2004
Grading and Utility Work	April – July, 2004
Building Permits Ready & Land Sale Closing	August, 2004
Senior Housing and Senior Center Openings	August/September, 2005

In response to questions from Councilman Silverman, Ms. Edgar explained that the RED Group has agreed to put down a condominium map on the property, which would allow the apartments to be converted to "for sale condos." She clarified that the decision to convert the apartments to condos would rest solely on the RED Group.

In response to questions from Councilman Ortega, Mr. Roderique explained that outside counsel helped staff complete the redevelopment agreement. He estimated that the project would generate approximately \$50,000 per year in revenue for the city.

Mayor Manross expressed her belief that this project will be a wonderful shot in the arm for the neighborhood.

Mayor Manross opened public comment.

Gladys Olson, 7312 E. Palm Lane, recited the brief history of her involvement in the process. She stressed that the site must be a senior friendly, livable community that would enhance the quality of life for seniors and others. She then thanked Council for making the McDowell Village a reality.

Jodi Paulsen, 8630 E. Dianna Drive, spoke as a representative of the residents in the project's neighborhood. She urged Council to approve the item.

Darlene Petersen, 7327 E. Wilshire Drive, stated that she originally asked that no residential component be placed on the site. She noted that once it was apparent that a residential component would be built, she supported the RED Group's proposal. She urged the city to consider running the trolley every half an hour between the old senior center to the new center.

John Berry, 4800 N. Scottsdale Road, thanked the city for all the time and effort that went into this process on behalf of the RED Group.

Mayor Manross closed public testimony.

Councilman Ecton explained that he is enthusiastic about the project. He expressed disappointment that the city didn't try to capture one of the gasoline station areas.

COUNCILMAN ECTON MOVED TO **REZONE** FROM REGIONAL SHOPPING CENTER DISTRICT (C-S) TO PLANNED COMMUNITY DISTRICT (PCD) WITH UNDERLYING ZONING COMPARABLE TO REGIONAL SHOPPING CENTER DISTRICT (C-S) AND MULTI-FAMILY RESIDENTIAL DISTRICT (R-5) WITH A DEVELOPMENT AGREEMENT ON A 13.3 +/- ACRE PARCEL LOCATED AT THE NORTHWEST CORNER OF GRANITE REEF AND MCDOWELL ROADS, **AND** A MUNICIPAL USE MASTER SITE PLAN FOR A SENIOR CENTER ON A PORTION OF A 13.3 +/- ACRE PARCEL LOCATED AT THE NORTHWEST CORNER OF GRANITE REEF AND MCDOWELL ROADS, **AND ADOPT** ORDINANCE NO. 3526 AFFIRMING THE ABOVE REZONING AND AMENDED DEVELOPMENT STANDARDS, **AND ADOPT** RESOLUTION NO. 6371 AUTHORIZING THE MAYOR TO EXECUTE THE DEVELOPMENT AGREEMENT NO. 2003-160-COS. COUNCILMAN ORTEGA SECONDED THE MOTION (WHICH CARRIED 7/0.)

Councilman Ortega explained that this is a large project in Scottsdale that actually started with the Bond 2000. He stated his belief that the project has the potential to revitalize the area. He reminded everyone that the senior center is a \$10 million project with senior housing totaling \$16 million. He stated that this is the largest project currently in Scottsdale at \$26 million. He noted that this project would also allow seniors to downsize.

Councilwoman Lukas stated that this is an exciting night to see this project to fruition. She applauded Council for getting behind the will of the community to move forward positively.

Mayor Manross expressed her belief that this project will be a catalyst for further revitalization in the area.

After further discussion, THE MOTION CARRIED 7/0.

23. Temporary fee reduction program for downtown and other potential locations

Request:

- 1) Adopt Resolution No. 6373 extending the end date of the existing Temporary Fee Reduction Program for Downtown, and;
- 2) Provide staff with direction on the potential of expanding the program into other areas of the community.

Related Resolution: The existing Temporary Fee Reduction Program was approved by City Council on January 21, 2003 through adoption of Resolution No. 6238.

Staff Contact(s): David Roderique, Economic Vitality Department, General Manager, (480) 312-7601

droderique@scottsdaleaz.gov; Harold Stewart, Economic Vitality Department, Business Services Manager, (480) 312-2311, hstewart@scottsdaleaz.gov; Jon Chase, Planning and Development Services Dept., Principal Planner, (480) 312-2578, jchase@scottsdaleaz.gov

David Roderique introduced item 23 with a brief slide presentation, which has been outlined below.

Fee Reduction Program

Part 1

Consideration of Extension of Current Downtown Fee Reduction Program

Part 2

Discussion of Policy Guidance For Potential Expansion of Fee Reduction Program

Part 1

Extension of Fee Reduction Program

Purpose of Program -To provide support for the planning and implementation of renovations or new development of business properties in Downtown Scottsdale.

Key Goal - To encourage investment by small business and property owners in the designated program area.

Trial Period - April 1, 2003 - September 30, 2003

Allowed Fee Reductions

Downtown Development Review Board Applications - waiver not to exceed \$1,213

Building Final Plan Review Application Fee - waiver not to exceed \$250 per application

Building Permit Fee - waiver not to exceed \$1,190 per application

Engineering Final Plan Review Application Fee - waiver not to exceed \$1,660 per application

Encroachment Permit Fee - waiver not to exceed \$439 per application

Total combined waivers not to exceed \$4,752 per project

Extended Program Elements

- October 1, 2003 – June 30, 2004 (recommended)
- Covers renovations and new projects
- Applications must be complete to qualify
- Projects must be in designated Downtown area

- Project is defined as work at a specified address
- Normal review process for Downtown projects
- Fee waiver for actual permit value only
- Additional City cost \$65,000-\$70,000 of unrealized income

Part 2

Fee Reduction Program Potential Expansion

Staff is seeking policy direction regarding –1.Is the City Council interested in pursuing an expansion of this program beyond Downtown?

2.If so, under what general parameters:

- a. Commercial only or also include residential?
- b. All areas south of Camelback or only selected target areas?
- c. Reductions in the same types of fees and amounts or lesser/greater reductions?
- d. Beginning this fiscal year or next fiscal

Mayor Manross questioned if it makes sense as far as staffing, logistics, etc. to consider expanding the program to both commercial and residential. Mr. Roderique explained that once the program was set up, it wasn't difficult to administer. He estimated that expanding the program to a greater geographic area would have a minimal impact on staff time. If Council expressed a desire to expand the program to residential, staff would like some time to determine the impacts before the implementing the changes.

Councilman Ecton stated his belief that this has been a great program, although it is difficult to measure the program's impact. He expressed support for the program to be expanded to commercial property south of Camelback with the current fee abatement schedule.

Councilwoman Lukas stated her support of the current program with the proposed extension and expansion south of Camelback maintaining the current fee abatement structure. She urged staff to pursue the possibility of expanding the program to residential property also. She questioned the impact on the city's budget. In response, Mr. Roderique explained that this program would simply mean a reduction of the amount of revenue the city would be receiving. Timing would be the important factor in determining the impact on the city's budget if the program is expanded.

Mr. Gawf explained that staff would prefer bringing a proposal back to Council on the possibility of adding a residential component south of Camelback. This would provide staff an opportunity to examine the impacts and other possibilities. As far as the building permit waiver, the city is becoming more efficient in the manner building permits are processed. This would not be money out of pocket; it would simply be money the city won't collect. He assured Council that staff would work with Mr. Roderique to start the program as soon as possible.

Councilman Ortega stated his belief that this program makes good financial sense. He expressed an interest in seeing the proposal move forward to consider including residential property in the program.

COUNCILMAN ORTEGA MOVED TO ADOPT RESOLUTION NO. 6373 EXTENDING THE END DATE OF THE EXISTING TEMPORARY FEE REDUCTION PROGRAM FOR DOWNTOWN EXPANDING THE PROGRAM NINE MONTHS AND TO FURTHER EXPAND THE PROGRAM TO INCLUDE THE AREA SOUTH OF CAMELBACK ROAD IN THE COMMERCIAL CATEGORY. COUNCILWOMAN LUKAS SECONDED THE MOTION (WHICH CARRIED 7/0).

Vice Mayor O'Hearn questioned if there are any fairness issues involved with limiting the program to a particular section of the city. Mr. Roderique explained that the vast majority of businesses south of Camelback are smaller businesses, whereas the majority of the businesses north of Camelback are larger in nature. The area south of Camelback has been the city's primary target for revitalization since it is the mature area of the city.

In response to additional questions from Vice Mayor O'Hearn, Mr. Gawf clarified that there are no restrictions on the type of use that qualifies for the fee waiver if the use meets city code.

Vice Mayor O'Hearn explained that he is very much in favor of incrementally expanding the program to ensure that the program is meeting the city's expectations.

Mr. Gawf clarified that the intent of the program is to be an incentive for revitalization. If the program is successful, there will be a time in the future when the area will not need assistance and the program would be terminated.

Responding to questions from Mayor Manross, Mr. Roderique recommended staying with the same type of program. The extension would be providing the city with a year's worth of data. The program could then be discussed formally as part of the budget process next spring. He suggested that any additional extensions could be granted in one-year increments.

After further discussion, THE MOTION CARRIED 7/0.

Public Comment - None

City Manager's Report - None

Mayor and Council Items

Councilman Ortega requested that staff look at the possibility of re-instituting the City Charter Advisory Committee to review proposed changes to the city's charter.

Adjournment

With no further business to discuss, Mayor Manross adjourned the meeting at 9:34 P.M.

SUBMITTED BY:

Ann Eyerly, Council Recorder

REVIEWED BY:

Carolyn Jagger, City Clerk

C E R T I F I C A T E

I hereby certify that the foregoing Minutes are a true and correct copy of the Minutes of the Regular City Council Meeting of the City Council of Scottsdale, Arizona held on the 23rd day of September 2003.

I further certify that the meeting was duly called and held, and that a quorum was present.

DATED this 29th day of September 2003.

CAROLYN JAGGER
City Clerk